

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 9th day of May, 2011 the City Council of the City of Aransas Pass convened in a Special Council Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

PRESENT: Tommy Knight Mayor
Vickie Abrego Mayor Pro Tempore
Jay Attaway Council Member
Ross McElwee Council Member
Phillip Hyatt Council Member

ABSENT:

ADMINISTRATIVE
PERSONNEL PRESENT: Reggie Winters City Manager
Yvonne Stonebraker City Secretary

ADMINISTRATIVE
PERSONNEL ABSENT: Allen Lawrence City Attorney

STAFF PRESENT: Rickie Kilgore Fire Chief

OTHERS PRESENT: Donald Brummett, David Underbrink and Adam Hutchison/NEI, Ryan Cunningham/Southwest Securities, Stephen Cardenas/Shamrock Trucking and Equipment, Mike& Jan Moore, Ellie Block and Randy & Jean Hunter.

There may have been others present who did not sign in.

1. **CALL MEETING TO ORDER.**

Mayor Knight called the Special Meeting to order at 7:00 P.M. on May 9, 2011.

2. **CONSIDER AND ACT ON FUNDING CONN BROWN HARBOR BULKHEAD MAINTENANCE AND TEXAS DEPARTMENT OF AGRICULTURE CAPITAL FUND SEWER LINE.**

Mr. Ryan Cunningham, Southwest Securities, stated the council packet contained a Tax Rate Impact of Debt Issuance sheet showing two money amount options the City could borrow to fund the Conn Brown Harbor bulkhead maintenance and the Texas Department of Agriculture Capital Fund sewer line. He stated the first amount was \$200,000 and the second amount was \$500,000. He stated the Tax Rate Impact of Debt Issuance also contained three different terms of five years, seven years and ten years with Interest Rates, Annual Debt Service and I&S Tax Rate Impact. Mr. Cunningham stated there were two options the City could use to borrow the money - Certificates of Obligation or Tax Notes.

Mr. Cunningham stated Tax Notes only require one City Council action and could not be in maturity longer than seven years.

Mr. Cunningham stated Certificates of Obligation require a Notice of Intention published in the City's legal newspaper two weeks in a row advising the Citizens of the project with an amount not to exceed. He stated this option gives the Citizens a right of referendum and if five percent of the Citizens petitioned, it would then go to election. He stated the quicker method would be Tax Notes.

Mr. Cunningham stated once the City decided on a funding mechanism and an amount they would like to borrow, he could come back at a later date to formalize the borrowing process.

City Manager Reggie Winters stated he would like to recommend borrowing \$500,000 for a term of seven or ten years instead of using the money in the City's reserves.

Council Member Attaway made a motion to borrow \$500,000 with a term of seven years using Tax Notes for the funding of Conn Brown Harbor bulkhead maintenance and Texas Department of Agriculture Capital Fund sewer line. Council Member Hyatt seconded the motion and the motion carried unanimously.

3. **CONSIDER AND ACT ON AWARDING A CONTRACT FOR CONN BROWN HARBOR BULKHEAD MAINTENANCE AND AUTHORIZING MAYOR TO EXECUTE THE CONTRACT.**

Mayor Knight stated the City received three bids on bulkhead maintenance that included a base bid and an alternative bid. He asked Mr. Underbrink, with Naismith Engineering, to explain the two separate bids.

Mr. Underbrink stated the base bid asked for a two inch bar on the bulkhead maintenance, which would last about one hundred years. He stated the alternate bid asked for a one and a half inch bar for bulkhead maintenance, which would last about fifty years. Mr. Underbrink stated he would like the City to base their choice on the alternate bid.

Mayor night stated Shamrock's base bid was \$146,776.00 with an alternate bid of \$132,375.28, Derrick's base bid was \$241,049.00 with an alternate bid of \$215,201.00 and J.M. Davidson's bid was \$222,930.00 with an alternate bid of \$184,503.35.

Mr. Cardenas with Shamrock Trucking and Equipment stated he could have the bulkhead maintenance finished in thirty days.

Council Member McElwee made a motion to award Shamrock Trucking and Equipment for Conn Brown Harbor bulkhead maintenance accepting the alternate bid of \$132,375.28. Council Member Attaway seconded the motion and the carried unanimously.

4. **CITIZENS COMMENTS.**

There were none.

5. **ADJOURNMENT OF MEETING.**

Council Member Attaway made a motion to adjourn the meeting. Council Member McElwee seconded the motion and the motion carried unanimously.

Mayor Knight adjourned the meeting at 7:25 P.M.

Tommy Knight, Mayor

ATTEST:

Yvonne Stonebraker, City Secretary